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COMPETE
The Competitiveness and Trade Expansion Program

EAGC-COMPETE Partner Funding Support Report (January-March 2010)

Introduction

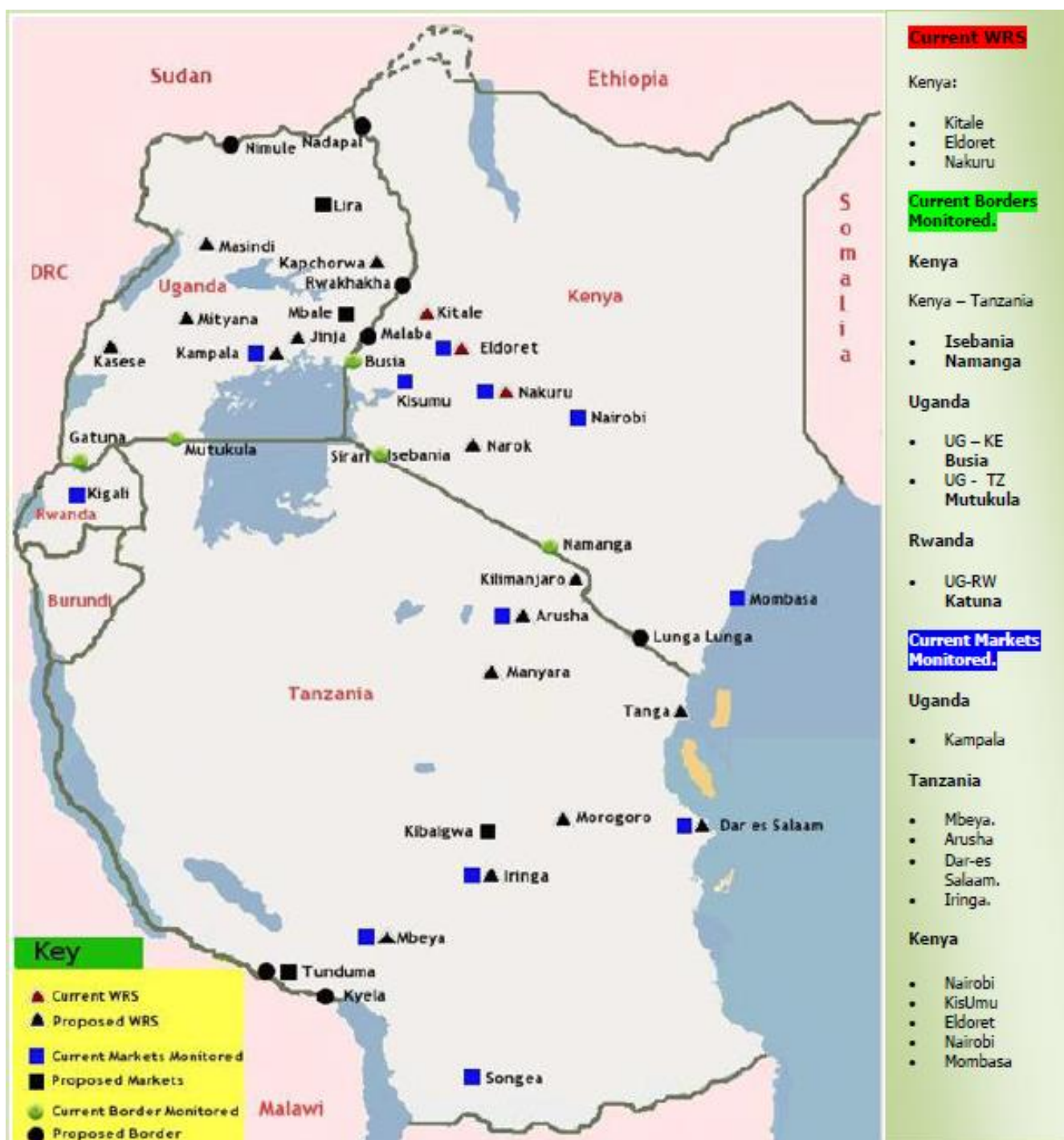
EAGC would like to thank USAID-COMPETE for its financial support since August 2009. This has enabled the council to develop, promote, and influence structured grain trading system in the Eastern Africa region and especially focusing on its aim of reducing barriers to grain trade and help stakeholders adopt international quality standards that make them more competitive in regional and global markets.

Below is a summary of activities funded by USAID-COMPETE program for 2009.

Activity/Tasks	Results	Status
Institutional Strengthening in Kenya, Uganda & Tanzania		
Secretariat staff recruitment		
Identify and recruit receptionist	Receptionist recruited	Done
Identify and recruit Finance & Administrative assistant for Uganda	Administrative assistant recruited for Uganda	Done
Identify and recruit Finance & Administrative assistant for Tanzania	Administrative assistant recruited for Tanzania	On-going
Identify and rent EAGC offices in Kampala, Uganda	EAGC Kampala, Uganda office operational	Done
Identify and rent EAGC offices in Dar es salaam, Tanzania	EAGC Dar es Salaam, Tanzania office operational	Done
Identify and relocate to larger EAGC secretariat offices in Kenya	EAGC Secretariat relocates to larger	Done

	offices in Nairobi, Kenya	
EAGC presence in Uganda and Tanzania operationalize; membership services including EAGC website, RATIN and stakeholder meetings.	EAGC membership grows from 55 to 80.	Current-72
Program Activities		
EAGC has planned a workshop in partnership with COMESA ACTESA to carry out a WRS workshop in Zambia for all the different Warehouse operators and commodity exchanges within the COMESA and SADC region to share experience and ideas, knowledge sharing and lessons learning.	Report from the workshop on experiences and ideas, knowledge sharing and lessons learning.	Done
3rd African Grain Trade Summit held successfully in Dar es salaam Tanzania from 2 nd to 4 th November 2009 and a report prepared.	Summit held, reports prepared	Done
30 participants sponsored to the 3 rd African Grain Trade summit to be held in Dar es salaam Tanzania from 2 nd to 4 th November 2009 and a report prepared.	Reports and evidence of travel including travel documentation	Done
Development of website for the 3 rd African Grain Trade summit expected to attract 300 delegates and 20 exhibitors and use it for advertising and communication to ensure a successful summit. Use SAWASAWA.com Ltd and the same structure as from previous grain summit.	Website for the 3 rd African Grain Trade Summit developed and in use for advertising and communication.	Done

Below is a map showing EAGC areas of work in partnership with USAID-COMPETE.



1st Quarter Activity Report (January -March 2010)

This report from Eastern Africa Grain Council (EAGC) Secretariat is for the 1st Quarter covering USAID's COMPETE Support to EAGC during January to March 2010. The report covers the activities achieved.

Below are activities done in the first quarter 2010 under the support of COMPETE program:

1. Recruitment and payment of salaries including fringe benefits for EAGC staff.
2. Conference expenses for USAID/WFP-P4P meeting on WRS.
3. Board meetings.
4. MIS meetings in Rwanda and Burundi.
5. Internet Access to ISP Kenya.
6. Payment of rent for Uganda and Tanzania offices
7. M&E, work plan and budget meetings for EAGC
8. EAC Food Security and Climate Change
9. Adoption of EAC Maize quality standards

a) Recruitment and payment of salaries including fringe benefits for EAGC staff.

Through Adept Systems Ltd-a Kenyan firm that provides recruitment and selection services, EAGC recruited the following new staff who reported between January and March 2010:

- Program Manager- Structured Trading Systems-Mr. Nsanya Ndanshau
- Market Information and Communication Manager- Ms Janet Ngombalu
- Monitoring & Evaluation Specialist-Ms Peninah Gichuru
- Country Manager Kenya-Mr. Chris Webo
- Tanzania Program Officer- Structured Trading Systems, Mr. George Mboje
- Uganda Program Officer- Structured Trading Systems, Ms. Sarah Namsoke

The recruitment expenses to Adept Systems Ltd were all met under the COMPETE funding support.

Moreover, USAID COMPETE supported the payment of salaries including some fringe benefits e.g. gratuity and medical cover for some employees.

b) Conference expenses for USAID/WFP meeting on WRS & P4P.

This meeting involved USAID, USDA, EAGC and WFP-P4P HQ coordination unit.

The following were the discussed during the meeting:

- 1) USAID/WFP collaboration in countries in which P4P activities are supported by USAID and USDA and in each of the countries.
- 2) Ensure linkages between USAID discuss priorities and USDA-funded programmes and P4P
- 3) Meeting with Partner Organizations
- 4) Ongoing and planned activities from partners.
- 5) Update on P4P – key issues emerging from Annual Review and overview of overview of the M&E system, data being collected under p4P and preliminary results emerging.
- 6) How to improve coordination.
- 7) Looking ahead to key events in 2010; how to build synergy.



c) Board meetings.

One Board meeting was held on 22nd January 2010, necessitated by the need to review and approve the EAGC work plan and budget for 2010 .This meeting considered several issues among which included:

- a) EAGC Audit
- b) Grain Trade Institute
- c) Recruitment of staff
- d) Country offices –Uganda & Tanzania
- e) EAGC 2010 Work plan & Budgets
- f) Uganda and Tanzania strategic plans
- g) 4th AGM &Members Luncheon due for 29th April 2010
- h) EAGC HR policy and procedure manual

As a follow up, a committee meeting on Finance, HR and Audit was held on 15th February 2010 to deliberate on issues raised during the board meeting. USAID-COMPETE facilitated expenses for board meetings (travel and accommodation).

d) MIS meetings in Rwanda and Burundi.

A trip to Rwanda and Burundi was arranged in collaboration with USAID-COMPETE between 9th and 12th February 2010 with an aim of establishing areas of possible linkage between RATIN and other MIS players including eSOKO of the Ministry of Agriculture in Rwanda and others in Burundi and DR Congo. The trip would also be used to identify a price monitor for Kigali, after the previous monitor disengaged from RATIN service and also meet MIS providers from DRC-Congo. EAGC would also seek ways of meeting various stakeholders in the grain value chain for future collaboration and membership recruitment in Rwanda and Burundi.



EAGC, IFDC, VOXIVA (IT support firm) and Ministries of Agriculture-Rwanda, DRC and Burundi held MIS meetings and the following were the outcomes.

1. Need to develop and/or strengthen the National Market Information Systems for Burundi and DRC who are emerging from a difficult era of conflict.
2. Obtain Country Approval- need for an official Memorandum of Understanding to establish a working relationship between EAGC and government authorities in the respective countries involving Ministries of Agriculture/Trade and National Statistics Agencies. This would provide a platform for the country to share information
3. Harmonization of terminologies and methodologies of data collection.
4. Technology integration between national systems and RATIN.

At the end of the meeting there was overall consensus that while national MISs had no capacity to collect data outside of their borders, they would focus on strengthening their own systems and let RATIN use part of the information from these national MISs to inform stakeholders at the regional level.



EAGC also met Mr. Ntabana of Nile Basin Initiative program. He highly welcomed the prospects to partner with EAGC especially with regard to projects involving development of agricultural value chains. He indicated that the NBI project is yet to fully define at what level their engagement in the agricultural sector will be, they are willing to explore the possibilities with partners like EAGC.

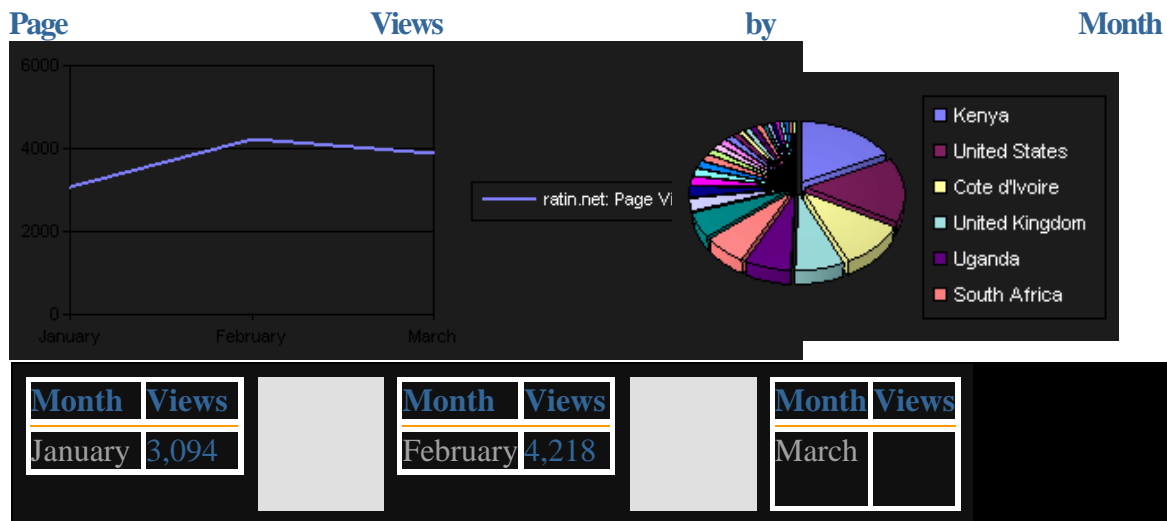
e) Internet Access from ISP-Access Kenya.

EAGC continued to receive internet service from Access Kenya through the period of January to March 2010. The funding from COMPETE to support the internet service ensure that we enjoyed the fastest speeds together with uninterrupted service throughout the period under review. As a result RATIN and EAGC websites were kept active with daily updates on prices and cross border volumes and other relevant information related to grain trade.

Below are summaries of RATIN and EAGC websites statistics for 1s quarter 2010:

Summary of RATIN website statistics

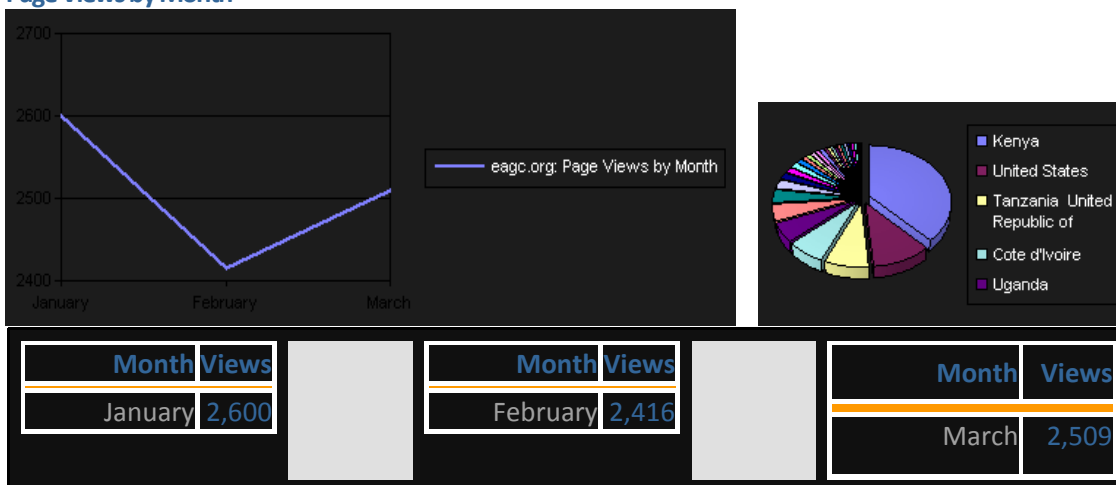
Start	End	Page Views	Visitors	Average
1 Jan 10	30 Mar 10	11,178	1,866	6 ppv



Summary of EAGC website statistics

Start	End	Page Views	Visitors	Average
1 Jan 10	30 Mar 10	7,525	1,223	6.2 ppv

Page Views by Month



f) Payment of rent for Kenya, Uganda and Tanzania offices

In order to increase service delivery to members and partners, EAGC opened up offices in Tanzania and Uganda. Part of the EAGC 2009 work plan was to have running offices in Uganda and Tanzania.

With the recruitment of more staff, EAGC secretariat required a bigger office. A new office was acquired in November 2009 and the secretariat was moved from Hevea Park to Maple Court in Westlands area.

Tanzania branch secured an office located at Safasha Plaza opposite TAZARA Railway Station along Mwalimu Nyerere Highway (from Julius Nyerere International Airport).

EAGC Uganda secured an office last year located on Lumumba Avenue, Nakasero and it is shared with USAID/COMPETE share the office.



Outside view of Tanzania office

g) M&E, work plan and budget meetings for EAGC

On 2nd-3rd Feb 2010, EAGC held a work plan and budget meeting. The meeting was meant to generate detailed regional and country budgets and work plans for 2010. Budget estimates and plan of activities for the year were developed on the basis of anticipated program results. The draft budgets and work plans were reviewed and approved by the Board of Directors.

On 1st -3rd March 2010, EAGC held M&E meeting that involved the staff and some board members. This was meant to introduce to staff, M&E system set for EAGC which would help measure progress and achievements of the program activities.



h) EAC Heads of State Summit on Food Security and Climate Change, Arusha-26th March 2010.

In this meeting, the Council of ministers was expected to consider and make recommendations on several reports from EAC Organs which include; the Secretariat, the East African Legislative Assembly and the East African Court of Justice; and Institutions which include; Lake Victoria Basin Commission, Lake Victoria Fisheries Organization, the Civil Aviation Safety and Security Oversight Agency (CASSOA), the East African Development Bank, and the Inter-University Council for East Africa (IUCEA).

EAGC was represented in the summit by the Executive Director who offered her inputs in grain market information, grain balance sheets and crop forecasts. See appendix 1 (attached)- draft EAC food security action plan; draft EAC climate change policy; and draft declaration on food security and climate change for further improvements.

i) Promote Adoption of EAC Maize quality standards-Tanzania

The absence of a harmonized maize grades and standards is always seen as a major non tariff barrier to regional trade expansion. For this reason, COMPETE supported several meetings and consultations among stakeholders in grain industry I Kenya and Tanzania. The meeting in Tanzania was held in the 1st quarter 2010. COMPETE also facilitated the

development of EAC maize quality standards guide book (*see appendix II attached*)



EAGC in partnership with USAID COMPETE conducted a one day workshop

on EAC Maize Quality Standards in Dar es Salaam on 10th March 2010. The objectives of the workshop were to increase awareness of EAC standards, to learn how to apply these standards, to learn the skills of testing these standards, and to design approaches/methodologies for implementing the standards.

Tanzania Bureau of Standards (TBS) also participated in the workshop and promised to find ways of taking further the training and use of East African Quality maize standards to more grain stakeholders to ensure quality standards meet the requirements of the farmer, trader and consumer in terms of safety, quality and consequently better markets because goods can meet required market quality standards.

The workshop participants had time to discuss and give comments, observations and suggestions for the EAC maize standards workshop. Some of the comments were as follows:

- **Quality standards.** It was learnt that quality is only observed during exportation/importation of maize but not during local trading. It was suggested that maize grain specification requires modification.
- **Standard packaging.** It was observed that there is need to use new packing materials so as to avoid spreading pests as well as diseases to other places. It was seen that it is possible even to use special trucks for transportation.
- **Food safety to consumers.** It was suggested to specify the problems of contaminants needs in food. Some people use even DDT for preserving their sold foods, some sell contaminated foods filled with sand and rotten maize.
- **Way forward:**
 - ☞ It was agreed that there is need to reach more people and educate them on what was presented in the workshop, hence the need to have training of trainers comprised of Trade officers in the district, Agricultural officers, and Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA). For the start RUDI, EAGC and TBS would launch training of trainers' workshop in Iringa on 22/03/2010.
 - ☞ EAGC was asked to facilitate TBS to develop the training materials and host similar workshops in big maize producing regions in Tanzania.
 - ☞ EAGC was also to facilitate translation of the maize standards manual in Kiswahili.
 - ☞ It was suggested that the training module should be standardized for the benefit of the EAC region



EXPECTED FUTURE COLLABORATION WITH USAID-COMPETE

EAGC is looking forward to collaborating with the COMPETE program in the following activities:

1. Establishment of a regional Commodity Exchange in Kenya
2. Support National Cereals & Produce Board (NCPB) to operate a Warehouse Receipt System (WRS)
3. Facilitate operations of the Grain Trade Institute (GTI)
4. Development of grain quality standards-sorghum, wheat, rice and pulses for adoption in EAC.
5. Mapping of grain storage facilities in the region
6. Hosting of Grain Business Fairs in Kenya, Tanzania and Uganda
7. Create an enabling regional grain trade policy framework.

APPEDIX 1: DRAFT EAC FOOD SECURITY ACTION PLAN; DRAFT EAC CLIMATE CHANGE POLICY; AND DRAFT DECLARATION ON FOOD SECURITY AND CLIMATE CHANGE FOR FURTHER IMPROVEMENTS



Ministers resolve to address food security and impacts of climate change within the community / Draft EAC Food Security Action Plan; draft EAC Climate Change Policy; and draft Declaration on Food Security and Climate Change for further improvements

ARUSHA, Tanzania, March 9, 2010/African Press Organization (APO)/ — The Sectoral Council of Ministers for Lake Victoria Basin and the Multi-Sectoral meeting on Food Security and Climate Change concluded their meetings on 4 March 2010 in Kisumu, Kenya with a firm resolve to address food insecurity and impacts of climate change within the East African Community.

The Multi-Sectoral Council, which was chaired by Hon. Prof. Mark J. Mwandosya, Minister of Water and Irrigation from The United Republic of Tanzania, considered and provided critical inputs on the draft EAC Food Security Action Plan; the draft EAC Climate Change Policy; and the draft Declaration on Food Security and Climate Change that are to be presented to the EAC Heads of State at a special Summit on 26 March 2010 in Arusha, Tanzania.

The draft EAC Food Security Action Plan; draft EAC Climate Change Policy; and draft Declaration on Food Security and Climate Change have been submitted to Partner States for further scrutiny. Partner States are to submit their comments on these critical documents to the EAC Secretariat by 18 March 2010 for consolidation. The EAC Secretariat is to submit the consolidated drafts to the 20th Council of Ministers meeting scheduled to meet on 19-24 March 2010.

The EAC Agriculture and Rural Development Policy (EAC-ARDP) recognises the importance of eliminating hunger and ensuring sustainable food security within the region as a necessary step towards poverty eradication and consequently a stimulus for rational agricultural development and realisation of the aspirations of the Treaty establishing the EAC. However, before and since the signing of the Treaty, the ability of the Partner States to achieve individual and collective durable food security status has been elusive. This has been further compounded by the negative impacts of climate change.

The overall objective of the EAC Treaty regarding cooperation in agriculture and rural development is the achievement of food security and rational agricultural production. Further, the EAC ARDP aims at attaining food security through increased agricultural production, processing, storage and marketing.

The EAC ARDP guides the development of strategies and programmes and projects for realisation of the above goals of the EAC. This action plan has been developed to guide the implementation and actualisation of a regional food security objective.

The adverse impacts of climate change are a threat to the livelihoods of people in almost all sectors of the economy in the EAC region. Severe droughts, floods and indeed extreme weather phenomena are occurring with greater frequency and intensity in the region. Climate change has thus become a leading contributor to among others; food insecurity, insufficient hydro-power, increases in pests and diseases, water scarcity and severe damage to infrastructure.

The increase of the average global temperature, as indicated in the Inter-Governmental Panel on Climate Change (IPCC) Fourth Assessment Report (IPCC, 2007), will further aggravate climate change in the EAC region, worsening the state of food security and threatening all the other drivers of economic development. Hence the need for an

integrated, harmonized and multi-sectoral framework for responding to climate change in the EAC region.

The overall objective of the East African Community Climate Change Policy (EACCCP) is to guide Partner States and other stakeholders on the preparation and implementation of collective measures to address climate change in the region while assuring sustainable social and economic development.

The guiding principles in implementing the Policy are in accordance with the EAC Treaty, the EAC Protocol on Environment and Natural Resources, the Protocol on Sustainable Development of Lake Victoria Basin as well as the United Nations Framework Convention on Climate Change (UNFCCC) among others.